

AMENDED IN ASSEMBLY MAY 16, 2001

AMENDED IN ASSEMBLY APRIL 4, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 149

Introduced by Assembly Member Zettel
(Principal coauthor: Assembly Member Liu)
(Coauthors: Assembly Members Alquist, Aroner, Nation, Robert
Pacheco, Pavley, Steinberg, and Strom-Martin)
(Coauthors: Senators O’Connell, Kuehl, and Machado)

January 29, 2001

An act to amend Section 17052.2 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL’S DIGEST

AB 149, as amended, Zettel. Personal income taxes: teacher tax credit: credentialed specialists.

The Personal Income Tax Law authorizes various credits against the tax imposed by that law, including a credit for credentialed teachers in an amount equal to the lesser of (1) the applicable of specified amounts based upon years of service as a teacher, or (2) 50% of the amount of tax imposed upon the taxpayer’s income that is attributable to service as a teacher at a qualifying educational institution.

This bill would expand the definition of qualifying educational institution to include preschool, prekindergarten, and adult education, and would extend that credit to also apply to credentialed specialists, as provided.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17052.2 of the Revenue and Taxation
2 Code is amended to read:
3 17052.2. (a) For each taxable year beginning on or after
4 January 1, 2000, there shall be allowed as a credit against the “net
5 tax” (as defined by Section 17039) to a credentialed teacher or
6 credentialed specialist an amount equal to the amount determined
7 in subdivision (b).
8 (b) The amount of the credit shall be the lesser of the amounts
9 computed under paragraph (1) or (2):
10 (1) In the case of any credentialed teacher or credentialed
11 specialist who has, as of the last day of the taxable year:
12 (A) Completed at least four but less than six years of service as
13 a credentialed teacher or credentialed specialist, the credit shall be
14 two hundred fifty dollars (\$250).
15 (B) Completed at least six but less than 11 years of service as
16 a credentialed teacher or credentialed specialist, the credit shall be
17 five hundred dollars (\$500).
18 (C) Completed at least 11 but less than 20 years of service as a
19 credentialed teacher or credentialed specialist, the credit shall be
20 one thousand dollars (\$1,000).
21 (D) Completed 20 or more years of service as a credentialed
22 teacher or credentialed specialist, the credit shall be one thousand
23 five hundred dollars (\$1,500).
24 (E) For purposes of determining years of service, years of
25 service performed as a teacher or specialist in a qualified education
26 institution in another state, which otherwise meets the criteria
27 specified in subdivision ~~(d)~~ (c) except that the qualified education
28 institution is not located in this state, shall qualify for each year the
29 teacher or specialist was credentialed by the public education
30 agency in that other state.
31 (2) Fifty percent of the amount determined as follows:
32 (A) Divide the amount received by the taxpayer as wages and
33 salary for services as a credentialed teacher or credentialed
34 specialist, as defined in paragraph (3) of subdivision (c), by the
35 taxpayer’s total adjusted gross income from all sources.

(B) Multiply the taxpayer's total tax, as defined in paragraph (4) of subdivision (c), by a ratio, not to exceed 1.00, that is otherwise equal to the ratio determined for the taxpayer under subparagraph (A).

(c) For purposes of this section, all of the following definitions apply:

(1) "Credentialed teacher or credentialed specialist" means a person who holds a preliminary or professional clear teacher or service credential, as applicable, as determined by the Commission on Teacher Credentialing pursuant to ~~Article 4~~ *(commencing with Section 44200) of Chapter 2 of Part 25 of Division 2 of Title 2 of the Education Code* and who teaches, or provides direct services to children in the case of a specialist, at a qualifying educational institution.

(2) "Qualifying educational institution" means any preschool or elementary, secondary, vocational-technical, or adult education school located in this state providing education for prekindergarten, kindergarten, grades 1 to 12, inclusive, adult education, or any part thereof. "Qualifying educational institution" includes an agency or instrumentality of the federal government providing education for prekindergarten, kindergarten, grades 1 to 12, inclusive, adult education, or any part thereof, at any location within this state, including an Indian reservation or a military installation located within the geographical borders of this state, where a credentialed teacher or credentialed specialist is employed by the federal government or an agency or instrumentality thereof. "Qualifying educational institution" includes any elementary, secondary, or vocational technical school located in California, that files an affidavit pursuant to Section 33190 and 33191 of the Education Code, and provides education for kindergarten and grades 1 to 12, inclusive, or any part thereof.

(3) "Wages and salaries for services as a credentialed teacher or credentialed specialist" includes only those amounts received with respect to services performed as a credentialed teacher or credentialed specialist, but does not include pensions or other deferred compensation.

(4) "Total tax" means the tax imposed under this part for the taxable year, before the application under Section 19007 of any

1 payment of estimated tax or any installment thereof, less all credits
2 allowed for the taxable year except for the following:

3 (A) The credit allowed under this section.

4 (B) The credit allowed under Section 17061 (relating to
5 refunds under the Unemployment Insurance Code).

6 (C) The credit allowed under Section 19002 (relating to tax
7 withholding).

8 (D) Any refundable credit that is allowed under this part.

9 ~~(d) The amendments to this section made by the act adding this~~
10 ~~subdivision apply only to taxable years beginning on or after~~
11 ~~January 1, 2001.~~

12 (d) (1) *For purposes of this section, “provides direct services*
13 *to children in the case of a specialist” means a person who holds*
14 *one or more of the qualifying credentials specified in paragraph*
15 *(2), provides the services designated on the credential, and who*
16 *receives wages and salaries for services as a credentialed*
17 *specialist that constitute, in the aggregate, at least 80 percent of*
18 *the wages and salaries received for services provided during the*
19 *taxable year.*

20 (2) *For purposes of paragraph (1), qualifying credential means*
21 *any of the following:*

22 (A) *Services credential with specialization in pupil personnel*
23 *services issued under Section 44266 of the Education Code.*

24 (B) *Services credential with specialization in health issued*
25 *under Section 44267 of the Education Code.*

26 (C) *Services credential with specialization in clinical or*
27 *rehabilitative services issued under Section 44268 of the*
28 *Education Code.*

29 (D) *Services credential with authorizing services as a library*
30 *media teacher or librarian issued under Section 44269 of the*
31 *Education Code.*

32 (e) (1) *No credit under subdivision (a) may be allowed to a*
33 *person who holds a services credential with specialization in*
34 *administrative services issued under Section 44270 of the*
35 *Education Code who receives wages and salaries for providing*
36 *one or more of the administrative services specified in paragraph*
37 *(2) in grades 12 and below, including preschool, and in classes*
38 *organized primarily for adults that constitutes, in the aggregate,*
39 *at least 80 percent of the wages and salaries received for services*
40 *provided during the taxable year.*

1 (2) *For purposes of paragraph (1), administrative services*
2 *means to do any of the following:*

3 (A) *Develop, coordinate, and assess instructional programs.*

4 (B) *Evaluate certificated and classified personnel.*

5 (C) *Provide student discipline, including, but not limited to,*
6 *suspension and expulsion.*

7 (D) *Provide certificated and classified employees discipline,*
8 *including, but not limited to, suspension, dismissal, and*
9 *reinstatement.*

10 (E) *Supervise certificated and classified personnel.*

11 (F) *Manage school site, district, or county level fiscal services.*

12 (G) *Recruit, employ, and assign certificated and classified*
13 *personnel.*

14 (H) *Develop, coordinate, and supervise student support*
15 *services including, but not limited to, extracurricular activities,*
16 *pupil personnel services, health services, library services, and*
17 *technology support services.*

18 SEC. 2. *The amendments to Section 17052.2 of the Revenue*
19 *and Taxation Code made by this act shall apply to taxable years*
20 *beginning on or after January 1, 2001.*

21 SEC. 3. *This act provides for a tax levy within the meaning*
22 *of Article IV of the Constitution and shall go into immediate*
23 *effect.*

